

Meeting of the Board of Directors

June 14 , 2005 Summary

ITEM #1 CONSIDERATION OF MARCH 8, 2005 MEETING MINUTES

The minutes were approved

ITEM #2 AUDIT FIRM SELECTION

California Senate Bill 1262 required NCUP to establish an audit committee. The audit committee met on April 15, 2005 to consider proposals for the 2004/2005 audit and selected the proposal from Vicente, Lloyd & Stutzman.

MSP: That the North Campus-University Park Development Corporation Board of Directors approve the engagement of Vicente, Lloyd & Stutzman to perform the 2004/2005 audit of NCUP at a fee not to exceed \$4,900.

ITEM #3 APRIL 30, 2005 FINANCIAL STATEMENTS/INVESTMENT REPORT

The financial statements were reviewed. Revenues are favorable to budget due to higher licensing and investment income

ITEM #4 FACULTY/STAFF HOUSING

Approximately three years ago, an investigation began into the possibility of building faculty/staff housing on North Campus. A needs assessment has been completed that documents a perceived need for faculty/staff housing. The University President stated that faculty/staff housing is the University's greatest priority for non-state funding. Any development will be of high quality, with an emphasis on community.

Over the last year, the University engaged in a master planning process to guide campus development for the next thirty years. The master plan (Envision 2035) has been a collaborative process focused on the needs of the campus with adequate consideration to the surrounding community. Faculty/staff housing was considered at all four of the Master Plan open forums. The response from the surrounding community was positive. The general reaction was that this was the best proposal for North Campus and would increase property values in surrounding neighborhoods. The one concern was the impact on area traffic. Since faculty/staff housing is included in the master plan environmental impact report (EIR), there will be no need for a separate EIR for faculty/staff housing.

The study done by the Valeo Companies shows a large demand for housing. Phase I of the project would include a mix of for-sale and rental units on approximately fourteen acres of North Campus and targets serving those in the \$40,000-\$100,000 household income range. Average density is expected to be fewer than twenty units per acre. The next step is pre-construction work up to working drawings. A working group will be formed to develop a ground lease. Legal assistance will be needed to determine how best to structure the program. Typically, establishing a Housing Authority segregates liability. A priority list for housing must also be developed.

MSP: That The North Campus-University Park Development Corporation approve the use of up to \$500,000 from the Development Activities Reserve to begin faculty/staff housing pre-construction activities and that Mohammad Qayoumi and Thomas McCarron be authorized to execute all contracts related thereto, with the understanding that a more complete program will be presented in Fall 2005, based on work done during Summer 2005.

The goal is for initial sales to be at twenty percent below market. There will be an index to allow for some appreciation, and residents will be able to move into larger units within the development. Up to five acres of land will be reserved for amenities.

The driving consideration is the benefit to the University as a whole. The issue is the University's ability to attract and retain high quality faculty, who would not otherwise come to or stay at CSUN. The high cost of living in the area prevents some from ever applying to the University. Ninety percent of respondents in the Valeo study indicated support for the project and 75% of new faculty respondents said they would like to participate in the program.

The motion passed unanimously.

ITEM #5 ANNOUNCEMENTS

There were no announcements